

ABSTRACT

A method for financial transactions within a Central Securities Depository comprises a clearing process and a settlement process. The clearing process preparing the transactions for the settlement process selects a settlement rule to be followed in the clearing process. The rule defines how the transaction is to be settled and a settlement obligation group. The group includes a number of settlement instructions that must be settled at the same time. The clearing process also “locks in” the assets with which the transactions are concerned thereby reserving the assets for a specific settlement instruction. The settlement process includes selecting transfer instructions for all settlement obligations belonging to the settlement obligation group. The transfer instructions are irrevocable instructions to transfer the assets between participants in the CSD. The settlement process also checks that all transfer instructions are carried out successfully and reports the result of the settlement to the participants involved.